Qualifications for Teachers and Paraprofessionals

Requires LEAs to ensure that all Title I teachers hired after the first day of the first school year following the date of enactment are "highly qualified," which for new teachers means certified by the State (including alternative routes to State certification), holding at least a bachelor's degree, and passing a rigorous State test on subject knowledge and teaching skills (definition is in Title IX General Provisions).

Requires States to develop plans with annual measurable objectives that will ensure that all teachers teaching in core academic subjects are highly qualified by the end of the 2005-2006 school year. States and LEAs must report annually, beginning with the 2002-03 school year, on progress toward this goal.

Requires LEAs to use between 5 and 10 percent, inclusive, of their Part A allocations for fiscal years 2002 and 2003, and at least 5 percent thereafter, to ensure that all teachers are highly qualified by the end of the 2005-06 school year.

Strengthens paraprofessional requirements to include two years of postsecondary education or, for an applicant with a high school diploma, the demonstration of necessary skills on a "formal State or local academic assessment." All new hires must meet these requirements, and existing paraprofessionals have 4 years to comply with them.

Specifies permitted paraprofessional duties and emphasizes that paraprofessionals "may not provide any instructional services" except under the direct supervision of a teacher.

Requires principals to "attest annually in writing" that their schools are in compliance with the teacher and paraprofessional qualification requirements in section 1119.

Services to Students in Private Schools

Requires equitable inclusion of private school parents and teachers in parent involvement and professional development activities under sections 1118 and 1119, respectively.

Expands consultation requirements to cover who will provide the services, including a "thorough consideration and analysis" of the potential use of third-party providers and a written explanation if an LEA decides not to honor a private school's request that services be provided by a third-party provider. Also requires consultation to include meetings of agency and private school officials, which must continue throughout implementation and assessment of services.

Requires LEAs to document the required consultation, including affirmation by private school officials that consultation occurred, and to forward such documentation to the SEA. Also outlines complaint procedures if private school officials are dissatisfied with the outcome of the consultation.

Specifies methods for determining the number of poor children in private schools and permits such determinations to be made biennially.

Other Changes

Continues to permit States to reserve 1 percent of allocations under parts A, C, and D for State administrative activities, but caps the reservation at the amount a State would reserve if the total appropriation for those parts was \$14 billion.

Lowers the poverty threshold for schoolwide programs to 40 percent.

New Accountability Provisions

The No Child Left Behind Act of 2001 maintains the same general accountability structure—based on standards, assessments, AYP, and school improvement—as the 1994 ESEA reauthorization. However, the NCLB Act includes the following changes that significantly strengthen that structure:

Requiring annual assessments to cover all children in grades 3-8.

Tightening AYP requirements by specifying a minimally acceptable rate of progress to ensure that all groups of students—disaggregated by poverty, race and ethnicity, disability, and limited English proficiency—reach proficiency within 12 years.

Requiring State and local report cards on progress in helping all students meet challenging State academic standards.

Substantially increasing funding for State and local support for school improvement (from _ percent of Part A allocations under the 1994 ESEA reauthorization to 2 percent under the NCLB Act, rising to 4 percent in 2004).

Requiring LEAs to offer students in schools identified for improvement, corrective action, or restructuring the option of attending a better public school, so that no student is trapped in a failing school.

Requiring LEAs to allow students attending chronically failing schools (i.e., failing to make AYP for 3 or more years) to use Title I funds to obtain supplemental educational services that can help keep them on track to meet challenging State academic standards.

Mandating the fundamental restructuring of any school that fails to improve over an extended period of time, including reopening the school as a charter school or turning

over school operations either to the State or to a private company with a demonstrated record of effectiveness.

Rewarding schools and teachers that succeed in narrowing achievement gaps or exceeding AYP requirements through Academic Achievement Awards.

Allocations

Authorizes allocation of Part A funds to local educational agencies that meet the requirements of 4 separate funding formulas: Basic Grants, Concentration Grants, Targeted Grants, and Education Finance Incentive Grants. Allocations are based primarily on the number of poor children in each school district (LEA). LEAs receive a single combined allocation that is adjusted by the State under certain circumstances.

The No Child Left Behind Act of 2001 made relatively minor changes to most Part A formula provisions:

Updates of census poverty estimates are required every year rather than every two years, though only if technically feasible.

The poverty rate-linked "hold-harmless" of 85%-95% was extended to Concentration Grants.

LEAs that lose eligibility for Concentration Grants would nevertheless continue to receive them for up to 4 consecutive years.

The small-State minimum for Basic and Concentration Grants rises to .25 percent of total allocations to States for fiscal year 2001 plus .35 percent of amounts over the fiscal year 2001 level. The small-State minimum for Targeted Grants and Education Finance Incentive Grants (neither of which was funded prior to fiscal year 2002) is .35 percent.

The Education Finance Incentive Grant formula was significantly modified by changing the count of children from the total population aged 5-17 to the number of Title I formula children (i.e., primarily census poverty counts). In addition, within-State allocations under the Incentive Grant program are now based on a variation of the Targeted Grants formula. As a result of these changes, the Incentive Grant program is now much more targeted to high-poverty urban and rural districts than under the 1994 law.

Set-Asides

Federal

None. Evaluations are funded through a separate authorization under Part E of Title I.

State

States may reserve up to 1 percent of allocations under parts A, C, and D "to carry out administrative duties" related to those parts.

States also must reserve 2 percent of Part A allocations, rising to 4 percent in fiscal year 2004, to carry out State and local school improvement activities. States must allocate 95 percent of school improvement funds directly to LEAs.

States must withhold from their Title I LEA Grant allocations amounts generated by annual counts of delinquent children in local institutions in order to support projects in LEAs with high proportions of children in local correctional facilities.

Local

LEAs must use between 5 and 10 percent, inclusive, of their Part A allocations for professional development aimed at ensuring that all teachers are highly qualified by the end of the 2005-06 school year (the requirement changes to a simple 5 percent floor in 2004).

School improvement, corrective action, and restructuring potentially impose a variety of local set-asides. Both LEAs and schools identified for improvement, for example, must use at least 10 percent of their allocations for professional development aimed at correcting the deficiencies that led to identification for improvement. And LEAs with schools identified for improvement, corrective action, or restructuring may be required to use up to 20 percent of their Part A allocations to pay choice-related transportation costs and to provide supplemental educational services to students whose parents request them.